

	FTP	Personnel Costs	Operating Expenditures	Capital Outlay	Trustee/ Ben Payments	Lump Sum	Total Gov Rec
Description: The Office of Insurance Management consists of the Office of Group Insurance, Risk Management, Employee Assistance Program, and Industrial Special Indemnity Fund. Risk Management provides property and casualty insurance; manages settlements of self-insured claims, and provides assistance in identifying potential risks. Group Insurance negotiates and administers competitive, cost effective employee group insurance programs. The Employee Assistance Program administers the statewide program which provides short-term counseling to state employees and their dependents on a variety of issues. The Industrial Special Indemnity Fund adjudicates claims for total and permanent disability as a result of a public or private employee suffering a "second injury" in the workplace.							
FY 2001 Original Appropriation							
3.00 FY 2001 Original Appropriation: HB 532, HB 776, HB 810, HB 813							
Dedicated	12.25	593,800	612,200	0	0	0	1,206,000
Total	12.25	593,800	612,200	0	0	0	1,206,000
Appropriation Adjustments							
4.42 Negative Supplemental: The Governor recommends removal of 80% of agency savings resulting from the employer share of PERSI gain sharing and the temporary retirement rate reduction.							
Dedicated	0.00	(16,200)	0	0	0	0	(16,200)
Total	0.00	(16,200)	0	0	0	0	(16,200)
FY 2001 Total Appropriation							
Dedicated	12.25	577,600	612,200	0	0	0	1,189,800
Total	12.25	577,600	612,200	0	0	0	1,189,800
FY 2001 Estimated Expenditures							
Dedicated	12.25	577,600	612,200	0	0	0	1,189,800
Total	12.25	577,600	612,200	0	0	0	1,189,800
Base Adjustments							
8.11 FTP or Fund Adjustment: Transfer funding to the Director's office to consolidate funding for the communication manager position.							
Dedicated	(0.20)	(11,800)	(3,000)	0	0	0	(14,800)
Total	(0.20)	(11,800)	(3,000)	0	0	0	(14,800)
8.12 Transfer Between Programs: Transfer from the Administrative Rules program to properly allocate salary costs for the administrator.							
Dedicated	0.40	34,000	0	0	0	0	34,000
Total	0.40	34,000	0	0	0	0	34,000
8.92 Other Adjustments: Funds identified as a result of the one-time PERSI gain sharing and temporary retirement rate reduction in DU 4.42 are restored to the agency Personnel Cost base.							
Dedicated	0.00	16,200	0	0	0	0	16,200
Total	0.00	16,200	0	0	0	0	16,200
FY 2002 Base							
Dedicated	12.45	616,000	609,200	0	0	0	1,225,200
Total	12.45	616,000	609,200	0	0	0	1,225,200

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Program Maintenance							
10.11 Change in Benefit Costs: Changes in benefit costs reflect the increased cost for health insurance and reduced costs for unemployment insurance and retirement contributions.							
Dedicated	0.00	7,600	0	0	0	0	7,600
Total	0.00	7,600	0	0	0	0	7,600
10.21 General Inflation: A 1.5% inflationary increase is provided for standard operating costs.							
Dedicated	0.00	0	9,000	0	0	0	9,000
Total	0.00	0	9,000	0	0	0	9,000
10.31 Replacement Items: Prorated cost of replacement servers for the Department.							
Dedicated	0.00	0	8,600	0	0	0	8,600
Total	0.00	0	8,600	0	0	0	8,600
10.42 Refactored Classes							
Dedicated	0.00	17,500	0	0	0	0	17,500
Total	0.00	17,500	0	0	0	0	17,500
10.61 Change in Employee Compensation: An increase in employee compensation of 4.5% is recommended for all state agencies. 3.5% shall be used for performance related increases and 1% shall be used to address agency specific compensation issues.							
Dedicated	0.00	25,300	0	0	0	0	25,300
Total	0.00	25,300	0	0	0	0	25,300
10.62 Change in Group and Temporary Compensation: An increase of 4.5% is recommended for group and temporary employees.							
Dedicated	0.00	500	0	0	0	0	500
Total	0.00	500	0	0	0	0	500
FY 2002 Total Maintenance							
Dedicated	12.45	666,900	626,800	0	0	0	1,293,700
Total	12.45	666,900	626,800	0	0	0	1,293,700
Program Enhancements							
12.01 Consultant Services: This would allow the department to expand the current services provided by a consultant to include in-depth benefit surveys, evaluations of the feasibility of self-insuring, and more frequent analysis of benefit plan design.							
Dedicated	0.00	0	75,000	0	0	0	75,000
Total	0.00	0	75,000	0	0	0	75,000
12.02 Expansion of Broker Services and Consulting: The Department's FY 2001 strategic plan sets the direction to provide more emphasis and resources for risk management and loss control. In order to timely and effectively design and implement a comprehensive loss prevention program, it is necessary to use resources available through the current insurance broker. The original broker agreement provided for typical insurance services, which the department would like to expand to include access to national expertise in risk management, loss prevention, and program design.							
Dedicated	0.00	0	100,000	0	0	0	100,000
Total	0.00	0	100,000	0	0	0	100,000

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FY 2002 Total Governor's Rec.							
Dedicated	12.45	666,900	801,800	0	0	0	1,468,700
Total	12.45	666,900	801,800	0	0	0	1,468,700